

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0720-04
Bill No.: Truly Agreed To and Finally Passed CCS for SCS for HB 142
Subject: County Officials; County Government; Courts
Type: Original
Date: June 1, 2011

Bill Summary: This proposal modifies provisions relating to political subdivisions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Local Government	\$15,000	\$18,000	\$18,000

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Secretary of State, Department of Revenue, Office of State Courts Administrator, Little Blue Valley Sewer District, Metropolitan St. Louis Sewer District**, and the **State Tax Commission** assume that there is no fiscal impact from this proposal.

Section 55.030

In response to a previous version of the bill (0720-01), officials from the **County of St. Louis** assumed that there is no fiscal impact from this proposal.

In response to a previous version of the bill (0720-01), officials from the **County of St. Charles** estimated a savings of \$18,000 annually by eliminating fixed asset tracking of small dollar items.

Officials from the **County of Jefferson** and the **County of Jackson** did not respond to **Oversight's** request for fiscal impact.

Section 67.319

Officials from the **City of Kansas City** state this proposal may have a cost neutral to positive fiscal impact on the City of Kansas City, Missouri. It is unclear whether the proposed legislation intends to make that responsibility wholly the City's (assuming it adopts such an ordinance), or whether it intends to keep the responsibility with the property owner but provide the City with a mechanism to assist property owners with private line repairs pursuant to a set of rules.

Assuming that the fee is intended to cover all private line repairs, and that the City is intended to make the repairs, it is likely that \$12 per year per residence will be insufficient to cover the additional liability being absorbed by the City on a permanent basis. An annual calculation (including consideration of the current fund balance, past costs, number of repairs, and other related liabilities) must be performed to determine the sufficiency of such a fee, and a corresponding adjustment should be made to the fee charged by the City. If the fund was adequately funded, the fee could be kept the same or lowered. If not, the fee would need to be increased. Without the ability to adjust the fee to accurately reflect the cost and liability exposure of the program, it could have a negative fiscal impact on the City.

ASSUMPTION (continued)

The cost of repairs is likely to exceed the amount collected for the repairs. It is unknown how many repairs will be needed. It is also unknown the complexity of and cost associated with each repair.

The City may suffer additional liability for property damage if property owners successfully argue that: the City had a duty to make repairs; that it breached that duty by not making repairs quickly enough to avoid harm; and that the owner's property was thereby damaged. It is unlikely that the City will be able to make all desired repairs upon demand, but will need to establish a priority system.

The proposed legislation spells out what to do if funds have been collected but not spent in a given year. It does not address how to handle a situation where necessary repairs exceed the amount of money collected.

The fee must receive voter approval before it could be implemented; therefore, **Oversight** assumes this proposal is permissive and, by itself, would have no state or local fiscal impact.

Section 67.451

Oversight assumes this proposal authorizes any city in which voters have approved fees to recover costs associated with the enforcement of certain property ordinances to issue a special tax bill against the property to recover the costs. Oversight assumes this proposal to be permissive and will not reflect a direct fiscal impact as a result of this proposal.

Section 67.1521

Oversight assumes this proposal authorizes a community improvement district special assessment to be added to and collected with the annual real estate tax bill for the property. Oversight assumes this proposal to be permissive and will not reflect a direct fiscal impact as a result of this proposal.

Section 90.101

Oversight assumes this proposal authorizes the board of commissioners of Tower Grove Park to adjust the size of its membership upon the approval of a majority of its members. Oversight assumes this proposal to be permissive and will not reflect a direct fiscal impact as a result of this proposal.

ASSUMPTION (continued)

Section 475.115

In response to a similar proposal from 2010 (HB 1676), officials from **County of Cass** assumed the proposal would not result in a fiscal impact.

In response to a similar proposal from 2010 (HB 1676), officials from the **St. Louis County Public Administrator's Office** stated the proposal would not have much of an effect on existing practice.

In response to a similar proposal from 2010 (HB 1676), officials from **County of Jackson** stated the proposal would cost the county \$250,000 due to transporting wards via sheriff's vehicles, increased manpower hours, and vehicle maintenance and fuel.

Oversight assumes this proposal allows a public administrator to request the transfer of any case to the jurisdiction of another county by filing a petition for transfer and requires the court to transfer the case if the requirements for venue are met and the administrator of the receiving county consents to the transfer. Oversight assumes this proposal to be permissive and will not reflect a direct fiscal impact as a result of this proposal.

Section 479.011

Officials from the **City of St. Joseph** did not respond to **Oversight's** request for fiscal impact.

Oversight assumes this proposal adds the City of St. Joseph to the list of cities authorized to establish an administrative adjudication system for certain municipal code violations. The cities of Kansas City, St. Joseph, and St. Louis are authorized to establish, by order or ordinance, an administrative system for adjudicating housing, property maintenance, and nuisance municipal code violations and to issue a special tax bill to collect fines issued for housing, property maintenance, and nuisances code violations. Oversight assumes this proposal to be permissive and will not reflect a direct fiscal impact as a result of this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2012 (10 Mo.)	 FY 2013	 FY 2014
LOCAL POLITICAL SUBDIVISIONS			
<u>Savings - St. Charles County</u>			
Eliminating fixed asset tracking of small dollar items (\$55.030)	<u>\$15,000</u>	<u>\$18,000</u>	<u>\$18,000</u>
 ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS	 <u>\$15,000</u>	 <u>\$18,000</u>	 <u>\$18,000</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

Section 55.030

This bill increases from \$250 to \$1,000 the minimum original value of county property that must be inventoried annually by the auditor in a charter county.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

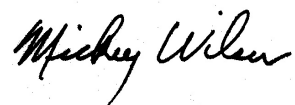
Office of Secretary of State
Department of Revenue
Office of State Courts Administrator
Little Blue Valley Sewer District
Metropolitan St. Louis Sewer District
State Tax Commission
City of Kansas City
County of St. Louis
County of St. Charles
County of Cass
County of Jackson

NOT RESPONDING

Cities of: Ashland, Belton, Bernie, Bonne Terre, Boonville, California, Cape Girardeau, Clayton, Columbia, Dardenne Prairie, Excelsior Springs, Florissant, Frontenac, Fulton, Gladstone, Grandview, Harrisonville, Independence, Jefferson City, Joplin, Kearney, Kirksville, Knob Noster, Ladue, Lake Ozark, Lebanon, Lee Summit, Liberty, Linn, Louisiana, Maryland Heights, Maryville, Mexico, Neosho, O'Fallon, Pacific, Peculiar, Popular Bluff, Raytown, Republic, Richmond, Rolla, Sedalia, Springfield, St. Charles, St. Joseph, St. Louis, St. Robert, Sugar Creek, Sullivan, Warrensburg, Warrenton, Webb City, Weldon Spring, West Plains

Counties of: Andrew, Barry, Bates, Boone, Buchanan, Butler, Callaway, Camden, Cape Girardeau, Carroll, Clay, Cole, Cooper, DeKalb, Franklin, Greene, Hickory, Holt, Jasper, Jefferson, Johnson, Knox, Laclede, Lafayette, Lawrence, Lincoln, Marion, Miller, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Pemiscot, Perry, Phelps, Platte, Pulaski, Scott, St. Francois, Taney, Texas, Warren, Webster

Water and Sewer Districts of: Boone County Regional Sewer District, Cole County Public Water District No. 4, Franklin County Water District, Pulaski County Sewer District, Timber Creek Sewer, St. Charles County Public Water District No. 2



L.R. No. 0720-04

Bill No. Truly Agreed To and Finally Passed CCS for SCS for HB 142

Page 8 of 8

June 1, 2011

Mickey Wilson, CPA

Director

June 1, 2011

KG:LR:OD